# Social Media Keep Buzzing! A Test of Contingency Theory in China's Red Cross Credibility Crisis

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Based on current literature on crisis management and contingency theory, this study explored how the Red Cross, China's biggest charity, practices public relations in a low-trust society and how contingent factors influence organizational stances in the "Guo Meimei incident," which initially erupted in 2011 as a personal issue, but quickly destroyed the reputation of the Red Cross, and continuously evolved over three years. By analyzing 1,300 public posts on social media, 576 news articles, and public relation materials of the Red Cross Society of China, I identified several unique contingent variables in the Chinese context such as the powerful public-led agenda, heavily censored media landscape, and low trust of the society as a whole. Theoretical and practical implications of the findings are discussed.

Keywords: nongovernmental organization, China, Red Cross, contingent factors, social media, crises

On August 3, 2014, a 6.5-magnitude earthquake hit Southwest China's Yunnan Province and 400 residents lost their lives (Beech, 2014). Instead of immediately updating information about this crisis, official media in China (e.g., CCTV, Chinanews.com, and Xinhuanet.com) chose to provide comprehensive coverage of a 23-year-old young lady named Guo Meimei. Reports widely covered Guo's childhood, family, education, emotional life, and various misdeeds, including running an illegal gambling ring in Beijing and offering sexual services (Beech, 2014). This particular piece of news was rapidly spread on social media and brought back memories of three years before, when this scandal, widely referred to as the "Guo Meimei incident," was reported on the night of June 21, 2011. The same key character, Guo, posted photos of her collections of luxury handbags and sports car on Sina Weibo (a Twitter-like microblogging service with the largest user base in China's online market) and claimed herself the "Business General Manager of the Red Cross Society" (Cheng, Huang, & Chan, 2016). Guo's posts immediately provoked massive suspicion among Chinese social media users and were shared approximately 100,000 times across the Internet within 24 hours (Shang, 2012).

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The Red Cross Society of China (RCSC), as a nongovernmental organization (NGO) and China's largest charity, is designated by the government as the central public donation-collection point during times of disasters (Cheng et al., 2016). With the flaunting Guo Meimei's wealth and her alleged association with the RCSC, rumors erupted from the Internet and then appeared on the front pages of newspapers, leading to the beginning of a huge credibility controversy for the RCSC. Even state-run media, such as CCTV and *People's Daily*, took an unusual stand to question the RCSC publicly (Hong & FlorCruz, 2011). An avalanche of criticism toward the RCSC from both the public and the media led the organization to a critical crisis of reputation and trust. As a result, the public's negative sentiment and distrust spread to other charitable groups in China. According to the official information published by the China Charity and Donation Information Center, after the Guo Meimei incident, donations fell 80% to 840 million Yuan (US\$132 million) between June and August 2011 (Moore, 2011). This incident continuously evolved and triggered a chain of credibility crises (e.g., the incident of donating quilts during Typhoon Rammasun 2014) from 2011 to 2014 (Beech, 2014). Compared with the generous donations after the 2008 Sichuan earthquake, the RCSC in contemporary China suffered from the lack of public support (Barefoot, 2013).

Based on contingency theory of conflict management (Cameron, Cropp, & Reber, 2001; Cancel, Cameron, Sallot, & Mitrook, 1997; Cancel, Mitrook, & Cameron, 1999; Pang, Jin, & Cameron, 2010) and Coombs' (2014) reputation repair strategies, I selected the RCSC's credibility crisis as a theoretical sampling case, aiming to advance relevant theoretical implications from the following four aspects.

First, motivated by contingency theory, which argues that the stances of an organization "depend" on various contingent factors, this study explored how the stances of the RCSC changed and what strategies were adopted during the crisis. Compared with most studies testing contingency practices in the United States, this study tested the explanatory power of this theory in a non-Western Chinese context, in which the Communist Party still dominated the political, media, and cultural systems, and strictly controlled the ideology of the public. I expected that potential new and significant contingent factors would be found in a nondemocratic crisis context.

Second, previous contingency studies (Cho & Cameron, 2009; Choi & Cameron, 2005) mostly have discussed corporations as one type of organization, but NGOs have seldom been explored. This study focused on the RCSC, a Chinese NGO, which is still largely state-controlled. I expected to find unique perspective to contemplate the stances and strategies of a state-controlled NGO during a nationwide credibility crisis.

Third, in the conventional conceptualization of contingency theory, an organization and the public are considered two major interactive parties in conflicts. However, in the RCSC case, social media seemingly played an important role in democratizing the public-media relationship (Chaffee & Metzger, 2001) and shortening the length of crisis response time. Through the social-mediated crisis communication, Chinese netizens exerted their power in the digital public sphere by leading the issue agendas, which may constitute a new contingent factor.

Last, this study adopted a longitudinal approach to trace actions of the three key players (i.e., the online public, media, and the RCSC) within a three-year time span. Instead of a cross-sectional investigation at a certain point or temporal dimensions of crises, I traced the RCSC's stances within a dynamic process, intending to comprehensively explore all possible contingent factors and distinguish them by their short- or long-term impact.

# **Contingency Theory of Conflict Management**

The basic idea of contingency theory (Cameron et al., 2001; Cancel et al., 1997, 1999) is that as crises change in a dynamic process, organizations' stances fall somewhere along a continuum from pure advocacy to pure accommodation. Contingency theory offers an alternative to Grunig's (1992) four models of public relations and posits a very practical way to view public relations. Two-way symmetrical dialogue between the organization and the public can hardly be achieved in real practice and organizations' advocacy-accommodation stances change as crises develop.

Cancel et al. (1997) provide a list of 87 external (e.g., threats of litigation, degree of social/political support for the organization, size and credibility of the contending public) and internal factors (e.g., organization's culture and past experiences with the contending public, characteristics of the dominant coalition) on which the stances of the organization depend. These variables are further redefined and categorized as predisposing and situational factors. Predisposing variables refer to factors that influence an organization prior to its interaction with the external public, which include business exposure, the organization's size, and individual characteristics of the public. For example, Reber, Cropp, and Cameron (2003), through interviews with 91 public relations practitioners, found that organizational characteristics such as past negative experience are likely to affect the organization's willingness to dialogue with the public. Situational variables influence the stances of organizations conditionally, which include threats, urgency of the situation, potential costs or benefits for the organization from choosing the stances, and characteristics of the external public such as emotions of the public. For example, threats were supported as the dominant contingent factors that determined the Singapore and Chinese governments' stances during the Severe Acute Respiratory Syndrome crisis (Jin, Pang, & Cameron, 2007). To bring some parsimony to the large amounts of variables outlined in previous contingency research, Cameron et al. (2001) further proposed six proscriptions as the factors limiting the accommodation, which include trying to appease multiple publics and being constrained by legal counsel or moral conviction. For instance, when two parties are locked in a morally intractable conflict, accommodation may be impossible for the organization (Zhang, Qiu, & Cameron, 2004).

#### Stance and Reputation Repair Strategy

Central to contingency theory is the stance that organizations may adopt in crises. According to Cancel et al. (1997), organizations change their stances and accordingly adopt reputation repair strategies (RRSs) for crisis management.

RRSs are symbolic resources that public relations practitioners can employ to protect or repair organizational images in a time of crisis (Coombs, 2014). For decades, RRSs have been a focus of scholars

(Benoit, 1997; Bradford & Garrett, 1995; Coombs, 2007, 2014), and a dominant approach was developed by Coombs (2014), who posited that RRSs fall along a defense–accommodation continuum in crisis analysis situations. The stance an organization takes lies on this continuum and corresponds to the RRS. For example, an organization can adopt defensive strategies, which include scapegoating, attacking the accuser, excusing, and denying; or it can adopt accommodative strategies such as ingratiating, correcting, cooperating, and fully apologizing (Coombs, 2007). Jin et al. (2007) integrated RRS theory with the contingency framework and arranged RRSs from the least to the most accommodative, which included attacking, denying, excusing, justifying, correcting, ingratiating, cooperating, and fully apologizing. This study applied the modified framework posited by Jin et al. and examined what stances and RRSs were used during the Guo Meimei incident.

#### **Contingency Theory in a Global Context**

When a growing number of studies tested and extended contingency theory in situations such as crises (Jin, Pang, & Cameron, 2006) and litigation public relations (Reber et al., 2003), it was found that most of them focused on events in the United States (Cameron et al., 2001). External culture and social, political, and regulatory environments were not supported as contingent variables (Cancel et al., 1997). To further test the impact of contingent factors in non-Western countries, some scholars have conducted research in South Korea (Cho & Cameron, 2009; Choi & Cameron, 2005; Shin & Cameron, 2006) and found new factors such as fear of media, local culture, nationalism, and extensive Internet community activities by netizens.

However, only a few studies have applied contingency theory in China. For example, Zhang et al. (2004) focused on the U.S. government's stance in resolving the conflict with China in an intercultural setting; Jin et al. (2007) compared the practices between Singapore and Chinese governments in crises. A unique contextual study that examines the contingency theory in Mainland China is lacking. An in-depth analysis of the interaction between a Chinese NGO and online publics in a social-mediated crisis deserves further exploration.

#### The Nature of NGOs in China

In China, one contextual background that should be noted is the confusing definition of NGOs. Terms such as *nonprofit organization* and *popular organization* are often used interchangeably. Lu (2008) clarified two major types of NGOs: One is the "officially organized," which is initiated by the government and receives government subsidies; the other is the "popular NGO," which is organized by private citizens and receives nongovernmental funding.

Compared with the large amount of public relations research on corporations or governments (Jin et al., 2007; Zhang et al., 2004), NGOs in China receive less attention in contingency theory. As one type of organization, NGOs' unique characteristics deserve more exploration. On the one hand, distinguished from Western-style NGOs, the autonomy of Chinese NGOs from the government is lower than those in Western societies such as the United States (Knup, 1997). For example, the RCSC is a representative officially organized NGO, which operates as a state-owned organization in China. Its employees are similar

to government officials, funding mainly comes from the governmental subsidy, rules stick to the governmental policies, and the organization itself obeys a hierarchical power structure (Lu, 2008). The features of the RCSC's dominant coalition, organizational culture, and relationship type with the public may constitute contingent factors in the crisis management. On the other hand, compared with business corporations, NGOs organize nonprofit and voluntary activities, transmit messages to communities or the general public, and participate actively in value creation and governance (Duhalm & Alecsandri, 2010; Teegen, Doh, & Vachani, 2004). Thus, NGOs' nonprofit properties may influence their crisis communication strategies and stances in a credibility crisis.

#### Social Media and Citizen Journalism in China

With the rapid diffusion of various social media (e.g., Twitter, Instagram, and Facebook), a new kind of citizen journalism platform emerged in the context of such "crisis" situations as the Guo Meimei incident, which enabled the public to perform "an active role in the process of collecting, reporting, analyzing and disseminating news and information" (Bowman & Willis, 2003, p. 2). Compared with professional journalism, citizen journalism may lack credibility, but it has no editors between the readers and authors (Carpenter, 2008), and provides an open platform for sharing, interacting with, and producing news. Consequently, organizations lose control over media coverage and stakeholders during crises.

In China, with the emergence of new technology, local software companies successfully have cloned and created new Chinese social network sites, such as Renren (the Chinese version of Facebook) and Weibo (the Chinese version of Twitter), serving as active "live" reporting tools. These sites provide chances for Chinese citizens to discover unofficial information and publish it for the first time (Yang, 2009). Currently, there are 688 million Chinese Internet users, which more than double the U.S. population (CNNCI, 2016). Sina Weibo, as one of the largest social media platforms in China, had 261 million monthly active users in May, 2016 (Smith, 2016). These large amounts of social media users exert their right to freedom of speech and actively participate in the digital public sphere by receiving and sending posts or videos (Goode, 2009). There has been an optimistic view among Chinese netizens that online public opinion is omnipotent: "If all netizens yell together, there would be three earthquakes in China" (Zhou & Moy, 2007, p. 80).

To recap, the unique nature of a Chinese NGO, large quantity of social media users, and active online citizen journalism all complicate the application of contingency theory to the Chinese context. Existing empirical evidence remains ambiguous, and this study aimed to fill the gap by examining the RCSC's stances and RRSs within a dynamic process in RQ1. RQ2 was posited to explore the contingent factors, especially the potential new and significant factors in a nondemocratic crisis context.

RQ1: What were the stances and strategies used by the RCSC in China's Red Cross credibility crisis?

RQ2: What contingent factors impacted the RCSC's stances in China's Red Cross credibility crisis?

# Method

# Data Collection

Drawing insights from the study by Zhang et al. (2004) on the contingent factors that affect the U.S. government's stances, I applied content analysis to explore the RCSC's RRSs, stances, and the underlying contingent factors. Data were derived from all available documents such as newspaper articles, press releases from the RCSC's official website and social media accounts, online public posts on Weibo, and articles from other websites such as ifeng.com (one of the top-five most influential websites in Mainland China; China Websites Ranking, 2016.

Data were collected longitudinally over three years ranging from June 22, 2011, when the RCSC posted the first announcement on its official website, to the very latest update I could obtain as of August 4, 2014. First, organizations' websites, social media accounts, and other websites such as ifeng.com<sup>2</sup> were systematically searched for press releases as well as other RCSC news during this crisis. Second, the database WiseNews was selected as it covered more than 1,500 full-text news reports in Greater China and allowed keyword searches with prompt results of related news reports. Keyword searches of *Guo Meimei* or *Red Cross* were conducted and news articles were confined to the Mainland newspapers. In total, 2,880 articles were collected and every fifth news report was systematically sampled, resulting in 576 news stories for data analysis. Finally, data of public posts were collected from Sina Weibo. Only posts mentioning Guo Meimei or Red Cross Society were counted. In total, 1,300 posts were randomly sampled for analysis.

#### Coding Scheme

Content analyses of public relations materials, media coverage, and online public posts were conducted to investigate the RCSC's stances, strategies, and underlying contingent factors. Two independent coders received training, and a codebook was used for coding guidelines. When disagreements occurred among coders, they discussed the discrepancies until a resolution was reached. By applying Holsti's formula, the composite intercoder reliability reached .86.

The unit of analysis was defined as any news article, RCSC media announcement, or public online post. Coding instruments contained two general categories. The first was the RRS based on the framework proposed by Jin et al. (2007). These strategies fell into the continuum model of advocacy and accommodation and were measured in terms of denial, attack, excuse, justification, correction, ingratiation, cooperation, and full apology. Second, contingent factors were coded based on several dimensions (Jin et al., 2007), which included organizational characteristics; general political, media, or social environment; media and online public's emotional tone (ranging from negative to positive); and other factors affecting the RCSC's stances.

<sup>&</sup>lt;sup>2</sup> The ifeng.com site offered a designated webpage, which documented the Guo Meimei incident and included recorded RCSC activities on a daily basis.

### Results

RQ1 asked what stances and strategies were used by the RCSC toward the external public during the crisis. As shown in Table 1, initially the RCSC adopted a pure defensive stance during the period June 22–28, 2011. The outbreak of this crisis was on June 21, 2011. The RCSC made its first response denying any connection with Guo Meimei. After public notice was taken of Guo's public displays of wealth online, the RCSC adopted denial as its main response strategy and posted a press release stating that the alleged link with Guo was a malicious rumor and it was opposed to the sensationalized behavior seeking by those wanting to achieve individual fame by making false information (RCSC, 2011). Two days later, the RCSC followed up with an even stronger defensive stance by releasing a firm statement showing that legal actions would be taken against those who spread the rumors ("Who is Guo Meimei baby?" 2014).

On June 28, 2011, the RCSC applied legal actions by reporting Guo to the police and adopting the strategy of excuse by stressing that the RCSC was also the victim in this incident ("Who is Guo Meimei baby?" 2014). One day later, the RCSC announced measures for rectifying its financial problems by claiming that these issues were simply the result of operational negligence and mistakes in account auditing ("Who is Guo Meimei baby?" 2014). Corruption, according to the RCSC, was not a factor (Barefoot, 2013).

Since July 1, 2011, the RCSC changed its stance toward the accommodative direction (see Table 1) and adopted a series of justified and corrective actions to address the public's grievances. For example, the RCSC announced the suspension of all commercial sectors' operation for investigation and promised to enhance information transparency by opening the donation, distribution, bidding, and purchase information to the public; on July 21, 2011, the RCSC notified the country Red Cross branches about the pledge of transparency of donation information to restore its reputation ("Who is Guo Meimei baby?" 2014). In addition, an attempt was made to enhance information transparency by launching a donation information release platform on July 31; when this platform failed to materialize, the RCSC pleaded for more time and patience on August 2, 2011. On December 31, 2011, the RCSC admitted its problems in the management and supervision of the commercial sector in the investigation report ("Who is Guo Meimei baby?" 2014). In the next two years (2012–2014), continuous actions were applied to accommodate the public: For example, the RCSC invited a third party to supervise the process of donation cooperatively; the spokesman for the supervisory committee replied to the public's requests and agreed that a reinvestigation of the Guo Meimei incident would be conducted ("Who is Guo Meimei baby?" 2014).

Stance	RRS	Date	Response
Advocacy	Denial	June 22, 2011	Denied on the RCSC website any connection with Guo Meimei.
	Attacking the accuser	June 24, 2011	Expressed anger and stated that the incident was a malicious rumor; stressed that legal actions would be taken against those who spread fabricated information.
	Excuse legal actions	June 28, 2011	Reported Guo Meimei to the police; conducted a media interview to emphasize that the RCSC was a victim of an outburst of social sentiment of distrust toward nongovernmental organizations in China.
Accommodatio		July 1, 2011	Announced suspension of all commercial sector operation for investigation.
		July 7, 2011	Promised to enhance information transparency by opening donation, distribution, bidding, and purchase information to the public.
		July 21, 2011	Notified the country Red Cross branches about the pledge of transparency of donation information in the aim of reputation restoration.
	Justification correction	July 31, 2011	Launched the donation information release platform; made the Yushu earthquake's information of donations available for public review.
		December 31, 2011	In the investigation report, the RCSC emphasized its independence from Guo Meimei, justified the function of commercial sectors, but admitted its problems in management and supervision.
	Cooperation	December 7, 2012	As a third party, a committee for social supervision of the RCSC was established.
	Ingratiation	April 23–25, 2013	The spokesman for the committee for social supervision of the RCSC said a reinvestigation of the Guo Meimei incident would be conducted, which was only a proposal and was not adopted by the committee finally.
Advocacy	Excuse, scapegoat	August 3-4, 2014	Guo Meimei was arrested in July and fully apologized to the RCSC and the public on August 4, 2014. The RCSC issued a statement saying that Guo's actions brought tremendous harmful effects on social justice, public welfare, humanity, and philanthropy. Citizens became victims in the incident. The RCSC was an innocent and time-honored organization, and rejected any relationship with Guo.

Source. "Who is Guo Meimei baby?" (2014).

On August 4, 2014, the RCSC changed its stance and retained an advocacy position again. Its website issued an official statement, which claimed that Guo's actions brought tremendous harmful effects on social justice, public welfare, humanity, and philanthropy; citizens became victims in the incident; and the RCSC was an innocent and time-honored organization, and rejected any relationship with Guo (RCSC, 2014).

In sum, results showed that between June and December 2011, the stance of the RCSC changed from advocacy to accommodation. However, when a longer time range (2012–2014) is considered, the RCSC's stance returned from accommodation to advocacy.

RQ2 examined what contingent factors impacted the RCSC's stances in the short and long term. As shown in Figure 1, the major factors included the closed culture of the RCSC, powerful public-led agenda, negative media coverage, low-trust Chinese society, central political control, and heavy media censorship, which influenced the RCSC's stances toward the public.

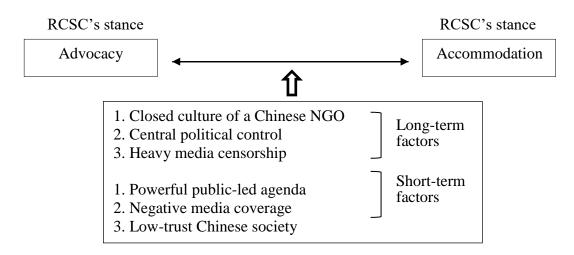


Figure 1. The main contingent factors that influenced the Red Cross Society of China (RCSC) stances. NGO = nongovernmental organization.

# Closed Culture of a Chinese NGO

This study first coded possible organizational characteristics as contingent factors. By examining the RCSC's press releases and other news on this incident, results showed that the closed culture of this organization became the main force to move its stance toward pure advocacy. First, the RCSC received governmental funds and all employees including the leaders and spokesmen obeyed strict governmental policies and were ruled under a hierarchical power structure (Hong & FlorCruz, 2011). Thus, when this incident happened, although the RCSC expressed sorrow and pleaded for more time and patience through the press release ("Who is Guo Meimei baby?" 2014), the donation information was never fully disclosed. This lack of fiscal transparency provoked mistrust of the RCSC throughout Chinese society. The Chinese

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public became increasingly puzzled by the RCSC's avoidance of credibility and accountability according to news reports (Beech, 2014).

Second, the RCSC seldom opened itself to the public. For example, the strategy of full apology was never used through its public relations materials. Words such as *sorry* and *regret* seldom appeared; instead, the RCSC maintained its defensive position by refusing to disclose the details of donation and criticizing Guo as the initiator, who brought "tremendous harmful" effects on social justice, public welfare, humanity, and philanthropy (RCSC, 2014, para. 3).

# Negative Media Coverage

To explore the possible external factors that might have influenced the RCSC's stances, I analyzed the emotional tone of media coverage toward this incident, with 1 coded as positive, 2 as neutral, and 3 as negative. Results showed that initially when the RCSC adopted a defensive stance and denied its relationship with Guo in 2011, the news media generally mirrored RCSC's crisis communication and maintained a neutral tonality (M = 1.86, SD = 0.85), or even positively related to the organizational agenda by stating that "RCSC denied any connection with Guo Meimei" (RCSC, 2011, p. 1).

However, empowered by the high sharing and retweet rates with targeted dissemination via Sina Weibo, netizens highly engaged on social media, enjoyed the strong personal connections, and participated in massive discussions and interactions in cyberspace, which generated a negative online public sphere. In this situation, media tonality was moving toward being negatively oriented (M = 2.32, SD = 0.86). For example, non-state-owned media such as the *Beijing Youth Daily* and *Western China Urban Daily* were led by the public, waded into the RCSC controversy, and maintained a negative tone: They did not defend the RCSC or appease public opinion, but criticized the government by crying for reforms of state-controlled NGOs. On the other hand, the state-owned media such as the *People's Daily* were under rigid control by the government and tended to report comparatively fewer negative stories than the non-state-owned media. Thus, the tone of media coverage was neutral at the beginning, but turned negative when the RCSC continued to deny and refuse its relationship with Guo Meimei. Large quantities of negative media publicity brought a serious reputation threat to the RCSC, which played as a predominant factor that moved the RCSC's stance from advocacy to accommodation.

#### The Powerful Public-Led Agenda

In the Guo Meimei incident, another external contingent factor that influenced the stance of the RCSC was the powerful public-led agenda. Through quantitatively coding the online public posts (1 coded as positive, 2 as neutral, and 3 as negative), results showed that this public agenda was dominated by negative emotions (M = 2.92, SD = 0.33).

During June 22–24, 2011, at the crisis outbreak point, the public agenda was already self-formed and crystallized by the number of Weibo posts. Within two hours, Guo Meimei's posts were shared more than 1,000 times in expressing netizens' concern and negative perception toward the RCSC's credibility. The issue salience of the public agenda was who Guo Meimei was and how she was connected to the RCSC, which pushed the RCSC to formulate its agenda: The Red Cross had no connection with Guo Meimei, and the incident was a malicious rumor (RCSC, 2011).

During June 25–28, 2011, the public continued to criticize the RCSC and wanted to know where the donations had gone. Facing the adverse situation, the RCSC excused and claimed that it was the victim because of the social sentiment of distrust ("Who is Guo Meimei baby?" 2014). Meanwhile, netizens grew enraged and collaborated by constructing, archiving, tagging, and editing news stories to uncover the RCSC's questionable activities, which subsequently captivated newspaper media attention for investigative reporting on the issue. From this point onward, the public set the media agenda, and newspaper coverage became more independent from the influence of the RCSC. Newspaper coverage increasingly used wording from blogs on the Internet and direct quotes of Weibo posts. For example, on June 25, CCTV news reported the Guo Meimei incident and questioned the authentication of the RCSC's statements by quoting comments from Weibo users (Shang, 2012).

In early July, the crisis entered a third stage. The public's anger and disappointment rose to its peak and the RCSC's messages were ignored. The public agenda was about wanting some concrete solutions such as returning donation money to the donors, which set the media agenda as questioning the RCSC's image repair effort and urging the RCSC to improve its transparency and regain the public trust.

As a result, the RCSC admitted that there were auditing loopholes and insufficient transparency of operation and financial system ("Who is Guo Meimei baby?" 2014). It adopted the accommodative stance and issue salience was about a series of corrective and cooperative strategies, which included the suspension of all of the work of the RCSC's Commercial System in July 2011 and cooperation with the third party in December 2012 ("Who is Guo Meimei baby?" 2014).

In sum, under the threats of losing credibility and support from both the media and public, the RCSC had to change its stance from advocacy to accommodation, intending to reduce the amount of negative media reports and public emotions.

# Low-Trust Chinese Society

Besides the culture of the RCSC, media coverage, and public agenda, this study also took into account the general political, media, and social environments that might have influenced the RCSC's stances. The qualitative content analysis of online public opinions helped find a new contingent factor: low-trust society. The following presents how the public's distrust emerged and pushed the RCSC to adopt an accommodative stance with the external public.

During June 22–24, 2011, when the RCSC denied everything and local media spoke with one voice, donators showed their distrust toward the RCSC. For example, on June 23, 2011, Sina Weibo users said, "Red Cross should be called Black Cross," "(RCSC) do you still think you have any credibility left?" "A quick denial, but credibility is questionable." On June 27, 2011, the National Audit Office of the People's Republic of China released a report stating that the RCSC had problems in budget execution and fiscal revenue and expenditure ("Who is Guo Meimei baby?" 2014), which led to a flood of criticism on social

media. A Weibo user commented on June 27, 2011, "No transparent budget system. . . . It is impossible to have supervision of the audit."

From July 2011 to April 2013, although the RCSC adopted an accommodative stance, netizens' adverse sentiment escalated. They collaborated to apply the powerful social media by searching beyond Guo Meimei to unearth the suspicious malpractice of the RCSC, and showed their distrust toward the government and the whole charitable system. A Weibo user on August 12, 2011, stated, "It's not that we are reluctant to let 'Guo Meimei' go; we just don't want to let the RCSC go." On December 10, 2012, other users said, "Government is accountable for such things happened" and "What the incident ignited is the public's distrust toward the RCSC and the entire system of government-controlled charitable organizations in China."

On April 25, 2013, a reinvestigation of the Guo Meimei incident was proposed by the spokesman for the committee for social supervision of the RCSC, but was not adopted finally (Barefoot, 2013). Netizens strongly questioned the supervision ability of the third party and the value of the committee. Negative sentiment continued to dominate the Weibo space: "Why does this committee exist?" "The RCSC and this committee belong to the same family?" and "All the charitable organizations in China are mismanaged."

Finally, on August 4, 2014, when Guo Meimei was arrested and apologized to the public and the RCSC, large amounts of online public comments still showed their strong "distrust" toward the RCSC. Commenters refused to donate again, saying, "I will never donate to the RCSC," and "I cannot believe Guo's tears and there are so many liars in the society now!" In addition, the Sina Weibo users showed their anger toward the official media and the whole society by posting comments such as the following: "This society is unbelievable. The earthquake happened, but CCTV is still talking about Guo," "The Communist Party is corrupted," and "The moral fabric of our society is decaying."

By coding and categorizing these online posts, I found that the factor of a low-trust society was not confined to interpersonal trust only, but also included the trust toward institutions (i.e., the RCSC, governments, official media, and other NGOs) at a societal level. The crisis of the RCSC ignited by the Guo Meimei incident materialized in a distinctive context in which the low trust was rooted in the whole society. One step further, this low-trust society helped explain the existence of a public-led agenda and the longtime buzzing of social media: The underlying low-trust orientation and real-life experience intensified the public's dependence on social media as the medium of information source and dissemination. Citizen journalism occurred and the online public even led the media and the RCSC's agenda in the crisis.

#### Heavy Media Censorship

In this case, some interesting findings emerged when I traced a longitudinal analysis of the media contents. As the above-mentioned results presented, the negative media publicity and powerful online public opinion successfully pushed the RCSC to move its stance from advocacy to accommodation. However, as the time spanned from 2011 to 2014, heavy media censorship became evident when this incident evolved into a serious credibility crisis. It was found that *Guo Meimei* has been added to the list of

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"sensitive words," which means that all the reports containing these words were supervised and censored by online policemen. Social media accounts of citizen reporters were disabled and a lot of negative posts about the RCSC were deleted from local social media. Until October 1, 2014, the keyword search on Sina Weibo found only 138,004 posts since June 22, 2011, whereas three years before, a 42-day span from June 22 to August 2, 2011, yielded 165,693 posts.

In August 2014, instead of updating emergency information from the Yunnan earthquake, CCTV China selectively reported "the aired images of Guo's stripped of makeup and clad in a prison-orange vest" (Beech, 2014, para. 6). Another state-owned Web, Xinhuanet.com, purposely quoted one alleged gambling-ring member and described Guo as "particularly evil, unscrupulous" (Beech, 2014, para. 6). The heavily censored media publicly promoted and legitimated the government's policies and the Communist regime, protected the reputation of the RCSC, and supported its final defensive stance.

## **Central Political Control of China**

Finally, an underlying political factor was found to help explain the change of the RCSC's stance from accommodation to advocacy. As China is still within the Communist political system, the current small group of leaders in the Chinese Communist Party (CCP) highly controls the ideology of media, public, and NGO system, which generates a heavily censored media landscape, controlled publicity, and state-run NGOs (Cheng, 2016). For example, all leaders including the president and vice president of the RCSC are members of the CCP and the inauguration news of RCSC's leaders was directly posted on the CCP's official website (Dong, 2011). If the ultimate purpose of citizen participation is just to support a supreme and unified national interest defined solely by the CCP (Chou, 2009), the RCSC, under the umbrella of the CCP, has the power to retain its defensive stance. In August 2014, 89% of the public continued to distrust the RCSC according to an online survey carried out by the *Global Times* (Ming Pao, 2014).

Overall, this study has put forward six distinguishing contingency factors: Three main short-term factors (as shown in Figure 1) referred to as the powerful public-led agenda, negative media publicity, and the low-trust society were identified to drive the stance of the RCSC from advocacy to accommodation. China's central political control, media censorship, and the closed culture of the RCSC constituted three long-term forces to determine the final stance of the RCSC moving from accommodation to advocacy.

#### **Discussion and Conclusion**

This study examined Western communication theories in an alternative Chinese context. Through adopting a dynamic and process-specific approach, I have discussed the stances and strategies of a state-controlled NGO and the contingent factors during a credibility crisis. Scholastic insights and practical implication of the results are discussed.

First, as a crisis is dynamic, the stances and strategies should be dynamic as well (Cancel et al., 1999; Jin et al., 2007). Findings support this basic position of contingency theory. Instead of holding interactive and symmetrical crisis responses, the RCSC's stances changed reciprocally between pure

advocacy and pure accommodation, which showed a dynamic pattern of crisis communication. This study also identified six contingent factors as major forces influencing the RCSC's stances, which included predisposing variables such as the closed culture of a Chinese NGO, a low-trust Chinese society, a heavily censored media landscape, and central political control, as well as situational variables such as the powerful public-led agenda and negative media coverage.

Scholars have suggested that some contingent factors might be more influential than others (Cancel et al., 1999), and the results of this study support this argument by differentiating the long-term and short-term effects of these factors. During the crisis, the powerful public-led agenda and negative media publicity were influential in a specific short time and successfully pushed the RCSC's stance from advocacy to accommodation. However, the long-term effects of central political control, heavy Chinese media censorship, and closed culture of the RCSC (Hu & Pang, 2016) determined the final stance of the organization. The stance of the RCSC returned from accommodation to advocacy, although the public still questioned the RCSC's transparency of releasing donation information. Thus, this study proposed that Cancel and colleagues' (1999) 87 contingent factors might vary in their long-term and short-term effects and could be classified into the upper- and low-level types. For instance, the political, media, legal, and cultural systems may stay at the upper level as they have long-term impacts, whereas low-level factors such as the size of public relations department and the degree of line managers involved in external affairs may only take effect in the short term.

Second, the results extend previous research by prompting reflection on contingency theory in a Chinese NGO credibility crisis. Results show that empowered stakeholders were setting their own issue agendas in contemporary China. As the Internet technology evolves, the scope and power of netizens in China have become a noticeable phenomenon (Cheong & Gong, 2010). Evidence of negative public emotions shows that the netizens devoted themselves to a quest of information seeking outside the realm of traditional state-run media, which supports the argument that online public opinion has become a competing agenda-setting force in Chinese society (Cheng & Chan, 2015).

This study examined the stances and strategies of a Chinese NGO as an organization. Results found that the RCSC, as a proxy Chinese public administration and state-controlled NGO, determined a closed organizational culture and a defensive stance in crisis communication. Also, crisis response strategies were strongly influenced by the political power, collective culture, and controlled media system (Hu & Pang, 2016). Compared with accommodative strategies such as full apology and cooperation, Chinese NGOs frequently adopt the defensive strategies such as denial and excuse.

Meanwhile, this study found a new contingent factor: China's cultural and social orientation as a low-trust society. Different from the trust categorized as the relationship characteristic by contingency theory (Cameron et al, 2001), the low level of trust here refers to the distrust toward the whole society. Results showed that the low-trust society strongly influenced the public, which further forced the change of the RCSC's stance. This factor also has been supported by statistics from a recent Chinese social report (Wang & Yang, 2012) that stated that the level of trust in the whole Chinese society reached almost its lowest in the previous five years.

Previous research further has explained how the cultural elements such as family bonds in Chinese Confucianism (Fukuyama, 1995) and political instability (Liu, 2008) influence the level of trust in Chinese society. Fukuyama (1995) argued that "the essence of Chinese Confucianism was the elevation of the family bonds above all other social loyalties" (p. 29). In contemporary Chinese communities, family still take a central role as a social system and constitute trust. In other words, trust among individuals might not be easily established unless they were bonded by family relationship. This low-trust phenomenon in China is also reflected in the economic pattern of kinship-based business, in which the leader and successor always belong to one family and others outside the family are hardly trusted as successors. Liu (2008) stated that the idea of trust in China is embedded in the particular context of the Chinese political system and is intertwined with political instability. In the process of being converted from emperor systems to communist principles, then to market socialism, China has endured ranges of revolutionary movements of destruction and reconstruction. Infringement of property rights, jobless industrial workers, and civil servants due to privatization of state-run institutes and rapid economic reforms have deepened the sense of distrust between the public and government.

Last, the findings of this study suggest practical implications for public relations practitioners when social-mediated crises (e.g., the Guo Meimei incident) occur in China or other parts of the world. For example, netizens in South Korea applied the new technology to resist the control of organizational authority and express their collective opinions (Cheng & Chan, 2015; Cho & Cameron, 2009). Other charities in China such as the China Youth Development Foundation and the China Women's Development Foundation (Cheng, Liang, & Leung, 2015) also faced public outcry from the Internet. Consequently, when channels are limited in infusing public opinion into administrative decisions and operations, it should be reasonable to infer that the social media-savvy public would tend to assemble on the virtual space to amplify their individual voices and even spring up as a powerful agenda setter to lead the media and government's agenda. Organizations thus should monitor the online public activities in the precrisis stage and examine not only "likes" or "links" on Twitter, but also the content of social media for strategic decision making (Kent & Saffer, 2014). Finally, the study can show practitioners that even successfully implementing accommodative strategies might hardly reduce negative opinions. As the RCSC learned, establishing a good-quality relationship and maintaining trust with the public could be significantly important before adopting any RRSs.

Although this study adds to the rich literature of contingency theory and RRS and contributes to international crisis communication, some limitations have to be mentioned. First, as this study focused on in-depth descriptions of a contextual case, the direct influence of contingent factors may further be supported in experimental studies. Second, as social media and traditional media both play important roles in influencing the stances of organizations and publics, future studies could explore the latent contingent variables from the media perspective (e.g., the public's social media dependency and the fusion of online and offline media contents) and extend the existing framework of contingency theory. Finally, the public-led agenda process in this unique case demonstrates that the agenda-setting power resides in the online public's opinion to lead Chinese media and even a state-led organization. Yet, to confirm the tendency that the Chinese media and public opinion are moving toward a democratic direction in taking on a monitoring role, the public-led agenda may further be supported by quantitative data.

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